

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

R&B Department - Disputes arising out of Agreement C.R.No:104/93-94 dated 21-07-1993 for Rs.67,40,784.00 for the work "Construction of High Level Bridge across river Araniar in km.4/2 of Puttur – Satyavedu road, Chittoor District" – A.A.No:1/98 filed by the Contractor in Senior Civil Judge Court, Kadapa – Payment of fees of Rs.67,500/- to Sole Arbitrator as departmental share - Sanctioned - Orders – Issued.

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TRANSPORT, ROADS AND BUILDINGS (ROADS.VI) DEPARTMENT

G.O.Rt.No: 1052

Dated:19-11-2010  
Read the following:-

- Ref:- 1. From the Hon'ble Arbitral Tribunal Comprising of  
Sri K.Padmanabha Goud (district & Sessions Judge (Retd.),  
Dt:21-03-2010 & Dt:24-03-2010.
2. From Sri K.Padmanabha Goud (District & Sessions Judge  
(Retd.), Dt:02-07-2010.
3. From Sri K.Padmanabha Goud (District & Sessions Judge  
(Retd.), Dt:19-07-2010.
3. Govt., Memo No:3498/R.VI(1)/2010-3, Dt:31-07-2010
4. From the Engineer-in-Chief (R&B), State Roads, Hyd. letter  
No:3498/CC/EN(R)/DEE4/AEE3/2010, Dt:22-07-2010.

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ORDER:

The Engineer-in-Chief (R&B), State Roads, in the letter 4<sup>th</sup> read above, has stated that the work "Construction of High Level Bridge across river Araniar in km.4/2 of Puttur – Satyavedu road in Chittoor District" was entrusted to Sri P.Prabhakar Reddy, Contractor vide agreement No:104/93-94, Dt:21-07-1993 for Rs.67,40,784/- with an excess tender premium of 83.53%. In spite of several notices issued by the department to the contractor, the work was not commenced by the contractor. In view of the above and delay in commencement of the work, the department has determined the contract on 25-05-1996 under clause 60(a) of P.S. to APSS. He has further stated that after determination of the contract, the contractor has approached the Senior Civil Judge Court, Kadapa by filing arbitration application No:1/98 for a claim of Rs.1,23,09,212/- as against agreement contract value of Rs.67,40,784/-. The department has also filed a counter stating that appointment of Sole Arbitrator was against the agreement conditions and the same was not accepted by the Senior Civil Judge Court, Kadapa. Later the department file another appeal W.A.No:1436 in the Hon'ble High Court, Hyderabad regarding the appointment of Sole Arbitrator. The Hon'ble High Court, Hyderabad vide judgment Dt:06-07-2009 in W.A.No:1436 has stated that "the Writ Appeals and Writ petitions are not maintainable in view of the judgment of the Supreme Court in S.B.P. & Co.V.Patel Engineering Limited:.

2. The Engineer-in-Chief (R&B), State Roads has further stated that as per the judgment of the Hon'ble High Court of A.P., the Sole Arbitrator has requested for payment of Rs.62,500/- towards his fee and Rs.5000/- towards secretarial expenses (being the share of the department) amounting to Rs.67,500/- to take up the proceeding of the arbitration. It is also informed in the letter that the claimant ha already paid his share amount of Rs.67.500/-.

P.T.O.,

3. As the arbitration matter is pending since 2003 and moreover the departmental share of Sole Arbitrator's fees of Rs.67,500/- has to be paid inevitably. The Engineer-in-Chief (R&B), State Roads, has requested to issue necessary orders to pay Rs.67,500/- under "Professional Services" Head of Account i.e., "5054 – 03 – 337 – GH11 – SH (04) – 280 – 284" as the claimant has already paid his share, and to avoid further legal complication.
4. Government after careful examination of the matter, hereby accord Administrative sanction for an amount of Rs.67,500/- (Rupees Sixty Seven Thousand Five Hundred only) for the subject work towards departmental share of Sole Arbitrators fees under the Head of Account "Professional Services", Head of Account i.e., "5054 – 03 – 337 – GH11 – SH (04) – 280 – 284".
5. The Engineer-in-Chief (R&B), Roads, Hyderabad shall take necessary action accordingly.
6. This order issues with the concurrence of Finance (Expr.PWD) Department vide their U.O.No:28185/765/A2/Expr.PWD/10, Dt:14-10-2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.SINGH  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Engineer-in-Chief (R&B), Roads, Hyderabad.  
The Accountant General, Andhra Pradesh, Hyderabad.  
Copy to:  
The Finance (Exp.PW) Department.  
The P.S. to Minister for Roads & Buildings.  
The P.S. to Principal Secretary to Government (R&B) Department.  
SF/SC.

// FORWARDED::BY ORDER //

SECTION OFFICER